

From: "Mark Miedtke" <mmiedtke@csbankmn.com> on 02/24/2005 06:06:46 PM

Subject: EGRPRA

I work in a small 50MM community bank. I'm responding to your request regarding reducing regulatory burden. I don't have any specific recommendations just general observations. I wish I had some answers but the task just appears too onerous. I'd like you to consider the overall volume of paper-recommendations-requirements you put out every year. Each one specifically seems to make sense to some degree right? Now add up the papers you've put out in just the last five years. Ask a new person to read each of them, remember them, create policies to comply, carry out the policy, audit compliance with the policy and then document compliance. That person will be lost before they make it through the first one foot pile of various FDIC letters much less get into the second years worth of letters. Instead of making 500 small banks in Minnesota create the wheel each time a new letter comes out-how about if you just give us exactly what you want. We've tried to become more efficient with technology-paperless right-but then we have to recreate everything on paper again anyway to prove we did it and are doing it. We also have to be computer whizzes to reformat everything to meet your review parameters. That's why I say right up front tell us exactly how you want so we don't do it our way and then have to recreate it to meet your format. Another problem in this regard is that we attend numerous meetings re:compliance and receive various opinions re: each persons interpretation. How about if we just had an FDIC person in here on a regular basis reviewing everything and helping us actually comply rather than just second guessing what we did after the fact. Might be easier on all of us, but then you'd have some liability too for keeping up with the reg's and complying with them. One other item, we do the best we can to meet all of the regulatory reqm'ts as well as just good operating procedure--we're going to be here for a long time. But what about all the small mortgage companies and insurance/investment brokers that we compete with that have nominal monitoring, don't comply with the reg's we do and yet take alot of our business. Shouldn't the regulators be spending more time with them instead of the Banks that are complying? Again, have someone just read over your most recent letters re regulatory burden and disposal of consumer info-see what they think--now tell them to multiply that by however many letters came out in the last 5 years. Then throw in State regs and other operating procedures--does it seem a little onerous? I'm serious-really take a look at the pile of fine print paper, and then imagine how much more paper gets created to comply-many times the pile in front of you. Thanks for your consideration
Mark Miedtke